

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

B

SW-02361A
Black Mountain Sewer Corporation
12725 W. Indian School Rd. Suite D101
Avondale, AZ 85323

ANNUAL REPORT

FOR YEAR ENDING

12	31	2006
----	----	------

FOR COMMISSION USE

ANN05	06
-------	----

entered
4-18-07

COMPANY INFORMATION

Company Name (Business Name) Black Mountain Sewer Corporation

Mailing Address 12725 W. Indian School Rd. Suite D101
(Street)

Avondale Arizona 85323
(City) (State) (Zip)

(623) 935 - 9367 (623) 935 - 1020
Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

Email Address _____

Local Office Mailing Address 12725 W. Indian School Rd. Suite D101
(Street)

Avondale Arizona 85323
(City) (State) (Zip)

(623) 935 - 9367 (623) 935 - 1020
Local Office Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

Email Address _____

MANAGEMENT INFORMATION

Management Contact: Peter Kampian Chief Financial Officer
(Name) (Title)

2845 Bristol Circle Oakville, Ontario Canada L6H 7H7
(Street) (City) (State) (Zip)

(905) 465-4500 (905) 465-4514
Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

Email Address _____

On Site Manager: Bob Dodds President
(Name)

12725 W. Indian School Rd. Suite D101 Litchfield Park Arizona 85323
(Street) (City) (State) (Zip)

(623) 935-9367 (623) 935-1020
Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

Email Address _____

☐ Please mark this box if the above address(es) have changed or are updated since the last filing.

Statutory Agent: CT Corporation System
(Name)
3225 N Central Ave Phoenix AZ 85012
(Street) (City) (State) (Zip)
(602) 277-4792
Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

Attorney: Jay Shapiro @ Fennemore Craig
(Name)
3003 North Central Ave, Suite 2600 Phoenix AZ 85012-2913
(Street) (City) (State) (Zip)
(602) 916-5366 (602) 916-5566
Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

☐ Please mark this box if the above address(es) have changed or are updated since the last filing.

OWNERSHIP INFORMATION

Check the following box that applies to your company:

- | | |
|---|--|
| <input type="checkbox"/> Sole Proprietor (S) | <input checked="" type="checkbox"/> C Corporation (C) (Other than Association/Co-op) |
| <input type="checkbox"/> Partnership (P) | <input type="checkbox"/> Subchapter S Corporation (Z) |
| <input type="checkbox"/> Bankruptcy (B) | <input type="checkbox"/> Association/Co-op (A) |
| <input type="checkbox"/> Receivership (R) | <input type="checkbox"/> Limited Liability Company |
| <input type="checkbox"/> Other (Describe) _____ | |

COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

- | | | |
|-------------------------------------|--|-----------------------------------|
| <input type="checkbox"/> APACHE | <input type="checkbox"/> COCHISE | <input type="checkbox"/> COCONINO |
| <input type="checkbox"/> GILA | <input type="checkbox"/> GRAHAM | <input type="checkbox"/> GREENLEE |
| <input type="checkbox"/> LA PAZ | <input checked="" type="checkbox"/> MARICOPA | <input type="checkbox"/> MOHAVE |
| <input type="checkbox"/> NAVAJO | <input type="checkbox"/> PIMA | <input type="checkbox"/> PINAL |
| <input type="checkbox"/> SANTA CRUZ | <input type="checkbox"/> YAVAPAI | <input type="checkbox"/> YUMA |
| <input type="checkbox"/> STATEWIDE | | |

COMPANY NAME**BLACK MOUNTAIN SEWER CORPORATION****UTILITY PLANT IN SERVICE**

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
351	Organization			
352	Franchises			
353	Land and Land Rights	461,446		461,446
354	Structures and Improvements	2,511,625	1,129,087	1,382,538
355	Power Generation Equipment	7,610	7,610	0
360	Collection Sewers - Force	323,940	204,437	119,503
361	Collection Sewers - Gravity	4,012,306	2,677,051	1,335,255
362	Special Collecting Structures			
363	Services to Customers	188,567	135,528	53,038
364	Flow Measuring Devices	39,878	29,409	10,469
365	Flow Measuring Installations			0
370	Receiving Wells			0
371	Pumping Equipment			0
380	Treatment and Disposal Equip.	2,418,473	621,715	1,796,758
381	Plant Sewers	121,651	80,848	40,804
382	Outfall Sewer Lines			
389	Other Plant and Misc. Equipment	1,064,085	293,050	771,035
390	Office Furniture and Equipment	366,977	81,213	285,764
391	Transportation Equipment	87,811	17,072	70,739
393	Tools, Shop and Garage Equip.	522	0	522
394	Laboratory Equipment	7,488	2,962	4,527
395	Power Operated Equipment			
398	Other Tangible Plant			
	TOTALS	11,612,379	5,279,981	6,332,398

This amount goes on the Balance Sheet Acct. No. 108

COMPANY NAME**BLACK MOUNTAIN SEWER CORPORATION****CALCULATION OF DEPRECIATION EXPENSE**

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
351	Organization			
352	Franchises			
353	Land and Land Rights	461,446		0
354	Structures and Improvements	2,511,625	5%	89,810
355	Power Generation Equipment	7,610		0
360	Collection Sewers - Force	323,940	5%	15,838
361	Collection Sewers - Gravity	4,012,306	5%	197,800
362	Special Collecting Structures	0		0
363	Services to Customers	188,567	5%	8,909
364	Flow Measuring Devices	39,878	5%	1,994
365	Flow Measuring Installations	0	5%	0
370	Receiving Wells	0	5%	0
371	Pumping Equipment	0	5%	0
380	Treatment and Disposal Equip.	2,418,473	5%	36,470
381	Plant Sewers	121,651	5%	6,083
382	Outfall Sewer Lines	0		0
389	Other Plant and Misc. Equipment	1,064,085	5%	44,150
390	Office Furniture and Equipment	366,977	5%	18,349
391	Transportation Equipment	87,811	5%	4,391
393	Tools, Shop and Garage Equip.	522		0
394	Laboratory Equipment	7,488	5%	374
395	Power Operated Equipment	0		0
398	Other Tangible Plant	0		0
	SUBTOTAL	11,612,379		424,167
	CIAC Amortization			(292,678)
	TOTALS	11,612,379		131,489

This amount goes on Comparative Statement of Income and Expense Acct. 403

COMPANY NAME
BLACK MOUNTAIN SEWER CORPORATION

BALANCE SHEET

Acct. No.	ASSETS	BALANCE AT BEGINNING OF TEST YEAR	BALANCE AT END OF YEAR
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$ 542,104	\$ 52,579
132	Special Deposits		
135	Temporary Cash Investments		
141	Customer Accounts Receivable	20,650	65,488
146	Notes/Receivables from Associated Companies		265
151	Plant Material and Supplies		
162	Prepayments	11,493	8,410
174	Miscellaneous Current and Accrued Assets		
	TOTAL CURRENT AND ACCRUED ASSETS	\$ 574,247	\$ 126,742
	FIXED ASSETS		
101	Utility Plant in Service	10,877,899	11,612,379
103	Property Held for Future Use		
105	Construction Work in Progress	118,705	150,097
108	Accumulated Depreciation - Utility Plant	4,848,205	5,279,981
121	Non-Utility Property		
122	Accumulated Depreciation - Non Utility		
	TOTAL FIXED ASSETS	\$ 6,148,399	\$ 6,482,495
	TOTAL ASSETS	\$ 6,722,646	\$ 6,609,237

NOTE: Total Assets on this page should equal Total Liabilities and Capital on the following page.

COMPANY NAME BLACK MOUNTAIN SEWER CORPORATION
--

BALANCE SHEET (CONTINUED)

Acct. No.	LIABILITIES	BALANCE AT BEGINNING OF TEST YEAR	BALANCE AT END OF YEAR
	CURRENT LIABILITES		
231	Accounts Payable	\$ 12,496	\$ 29,840
232	Notes Payable (Current Portion)		
234	Notes/Accounts Payable to Associated Companies	1,137,640	1,193,938
235	Customer Deposits		
236	Accrued Taxes	15,975	17,432
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities	133,641	29,308
	TOTAL CURRENT LIABILITIES	\$ 1,299,751	\$ 1,270,518
	LONG-TERM DEBT (Over 12 Months)		
224	Long-Term Notes and Bonds		
	DEFERRED CREDITS		
252	Advances in Aid of Construction	\$ 1,459,845	\$ 1,512,938
253	Other Deferred Credits	(66,857)	(225,858)
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction	6,101,832	5,338,988
272	Less: Amortization of Contributions	3,784,626	4,084,914
281	Accumulated Deferred Income Tax		
	TOTAL DEFERRED CREDITS	\$ 3,710,194	\$ 2,541,154
	TOTAL LIABILITIES	\$ 5,009,946	\$ 3,811,672
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$ 1,000	\$ 1,009,680
211	Other Paid in Capital	1,301,007	1,301,007
215	Retained Earnings	410,694	486,878
218	Proprietary Capital (Sole Props and Partnerships)		
	TOTAL CAPITAL	\$ 1,712,701	\$ 2,797,565
	TOTAL LIABILITIES AND CAPITAL	\$ 6,722,647	\$ 6,609,237

COMPANY NAME

BLACK MOUNTAIN SEWER CORPORATION**COMPARATIVE STATEMENT OF INCOME AND EXPENSE**

	OPERATING REVENUES	PRIOR YEAR	TEST YEAR
521	Flat Rate Revenues	\$ 1,260,552	\$ 1,296,255
522	Measured Revenues		
536	Other Wastewater Revenues	36,517	10,621
	TOTAL REVENUES	\$ 1,297,070	\$ 1,306,876
	OPERATING EXPENSES		
701	Salaries and Wages		
710	Purchased Wastewater Treatment	3,166	4,586
711	Sludge Removal Expense	1,160	1,247
715	Purchased Power	49,347	49,071
716	Fuel for Power Production		
718	Chemicals	68,607	74,651
720	Materials and Supplies	12,694	16,440
731	Contractual Services - Professional	4,261	3,384
735	Contractual Services - Testing	10,466	28,018
736	Contractual Services - Other	651,757	551,787
740	Rents	3,074	3,945
750	Transportation Expense	5,165	11,485
755	Insurance Expense	15,012	19,607
765	Regulatory Commission Expense	2,889	39,510
775	Miscellaneous Expense	37,526	23,479
403	Depreciation Expense	108,037	131,489
408	Taxes Other Than Income		
408.11	Property Taxes	34,509	35,166
409	Income Taxes	99,767	108,680
	TOTAL OPERATING EXPENSES	\$ 1,107,437	\$ 1,102,545
	OTHER INCOME/EXPENSE		
419	Interest and Dividend Income	\$ 4,035	\$ 6,636
421	Non-Utility Income		
426	Miscellaneous Non-Utility Expenses		
427	Interest Expense	109,872	103,962
	TOTAL OTHER INCOME/EXP	\$ (105,838)	\$ (97,326)
	NET INCOME/(LOSS)	\$ 83,795	\$ 107,005

COMPANY NAME BLACK MOUNTAIN SEWER CORPORATION
--

SUPPLEMENTAL FINANCIAL DATA

Long-Term Debt

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued				
Source of Loan				
ACC Decision No.				
Reason for Loan				
Dollar Amount Issued	\$	\$	\$	\$
Amount Outstanding	\$	\$	\$	\$
Date of Maturity				
Interest Rate	%	%	%	%
Current Year Interest	\$	\$	\$	\$
Current Year Principle	\$	\$	\$	\$

COMPANY NAME BLACK MOUNTAIN SEWER CORPORATION

WASTEWATER COMPANY PLANT DESCRIPTION

TREATMENT FACILITY

TYPE OF TREATMENT (Extended Aeration, Step Aeration, Oxidation Ditch, Aerobic Lagoon, Anaerobic Lagoon, Trickling Filter, Septic Tank, Wetland, Etc.)	Extended Aeration	
DESIGN CAPACITY OF PLANT (Gallons Per Day)	160,000 GPD BMSC Treatment Facility	318,000 GPD Scottsdale

LIFT STATION FACILITIES

Location	Quantity of Pumps	Horsepower Per Pump	Capacity Per Pump (GPM)	Wet Well Capacity (gals)
Commercial	2	20	200	1,130
CIE	2	15	200	4,200
Indian Rock	2	11.3	100	470
Sage Brush	2	3	N/A	470
Trade Center	2	0.75	N/A	200
Sentinel Rock	2	15	370	1,500
Carefree Highway	2	25	350	1,525
Stagecoach Pass	2	5	50	470
Peaceful Place	2	1	15	470
Sunset Trails	2	30	290	2,600
El Pedregal	2	10	185	2,000
Ridgeview	2	5	100	470
Canyon Crossings	2	3	85	300
Carefree Village	2	3	85	1,760
Indian Basket	2	1	11	150

FORCE MAINS

Size	Material	Length (Feet)
3"	ACP	915
4"	ACP	9,366
6"	ACP	7,460
1.25"	PVC	443
1.5"	PVC	5,384
2"	PVC	5,155
4"	PVC	2,390
6"	PVC	10,353
4"	DIP	3,000
8"	PVC	10,426

MANHOLES

Type	Quantity
Standard	988
Drop	14

CLEANOUTS

Quantity
27

COMPANY NAME	BLACK MOUNTAIN SEWER CORPORATION
---------------------	---

WASTEWATER COMPANY PLANT DESCRIPTION (CONTINUED)

COLLECTION MAINS

Size (in inches)	Material	Length (in feet)
4	ABS	1263
12	ABS	9,343
6	VCP	12,760
8	VCP	71,673
10	VCP	7,675
15	VCP	1,900
6	PVC	3,046
8	PVC	85,888
10	PVC	3,455
12	PVC	565
15	PVC	6,735
6	DIP	85
8	DIP	1,280
15	DIP	165
18	CIP	130
21	CIP	74

SERVICES

[illegible]

FOR THE FOLLOWING FIVE ITEMS, LIST THE UTILITY OWNED ASSETS IN EACH CATEGORY

SOLIDS PROCESSING AND HANDLING FACILITIES	N/A
DISINFECTION EQUIPMENT (Chlorinator, Ultra-Violet, Etc.)	Sodium Hypo-Chlorite (Bleach)
FILTRATION EQUIPMENT (Rapid Sand, Slow Sand, Activated Carbon, Etc.)	Rapid Sand Filter
STRUCTURES (Buildings, Fences, Etc.)	Main blower building Chlorine building Headworks building Concrete block wall (plant)
OTHER (Laboratory Equipment, Tools, Vehicles, Standby Power Generators, Etc.)	Odor control scrubber (plant); Stand-by generator (portable); Lifting crane assembly; Chemical injection system (commercial); Case backhoe; Chevy pickup; Stand-Generator (Carefree Village)

COMPANY NAME BLACK MOUNTAIN SEWER CORPORATION

WASTEWATER FLOWS

MONTH/YEAR (Most Recent 12 Months)	NUMBER OF SERVICES	TOTAL MONTHLY SEWAGE FLOW	SEWAGE FLOW ON PEAK DAY
Jan-06	2,017	3,725,460	176,000.00
Feb-06	2,020	3,360,000	168,000.00
Mar-06	2,019	3,720,000	175,000.00
Apr-06	2,018	3,600,000	186,000.00
May-06	2016	3,545,135	187,000.00
Jun-06	2019	3,600,000	182,000.00
Jul-06	2020	3563000	164,000.00
Aug-06	2021	3720000	172,000.00
Sep-06	2023	3474000	188,000.00
Oct-06	2021	3969000	198,000.00
Nov-06	2,017	3616000	180,000.00
Dec-06	2,020	3219000	175,000.00

Total 43,111,595

PROVIDE THE FOLLOWING INFORMATION AS APPLICABLE

Method of Effluent Disposal (leach field, surface water discharge, reuse, injection wells, groundwater recharge, evaporation ponds, etc.)	Reuse
Wastewater Inventory Number (all wastewater systems are assigned an inventory number)	100351
Groundwater Permit Number	N/A
ADEQ Aquifer Protection Permit Number	APP100351
ADEQ Reuse Permit Number	R105424
EPA NPDES Permit Number	N/A

STATISTICAL INFORMATION

Total number of customers 2,020

Total number of gallons treated 43,111,595 gallons

COMPANY NAME BLACK MOUNTAIN SEWER CORPORATION YEAR ENDING 12/31/2006

INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported Unable to isolate due to Consolidated Return filed
Estimated or Actual Federal Tax Liability _____

State Taxable Income Reported Unable to isolate due to Consolidated Return filed
Estimated or Actual State Tax Liability _____

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances N/A
Amount of Gross-Up Tax Collected N/A
Total Grossed-Up Contributions/Advances N/A

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

CERTIFICATION

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.

Robert Daddi
SIGNATURE

April 4, 2007
DATE

Robert Daddi
PRINTED NAME

President
TITLE

COMPANY NAME BLACK MOUNTAIN SEWER CORPORATION YEAR ENDING 12/31/2006

PROPERTY TAXES

Amount of actual property taxes paid during Calendar Year 2006 was: \$ 33,709.19

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. _____

**VERIFICATION
AND
SWORN STATEMENT
Taxes**

VERIFICATION

STATE OF Arizona
I, THE UNDERSIGNED
OF THE

COUNTY OF (COUNTY NAME)
Maricopa
NAME (OWNER OR OFFICIAL) TITLE
Bob Dodds, President
COMPANY NAME
Black Mountain Sewer Corporation

DO SAY THAT THIS ANNUAL UTILITY PROPERTY TAX AND SALES TAX REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

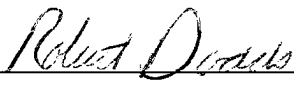
MONTH	DAY	YEAR
12	31	2006

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

I HEREBY ATTEST THAT ALL PROPERTY TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

I HEREBY ATTEST THAT ALL SALES TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.




SIGNATURE OF OWNER OR OFFICIAL

(603) 935-9429

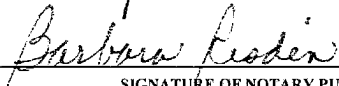
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 4th DAY OF April

BARBARA RIDDEN
Notary Public - State of Arizona
MARICOPA COUNTY
My Comm. Expires Feb. 3, 2011
MY COMMISSION EXPIRES Feb. 3, 2011

COUNTY NAME	<u>Maricopa</u>	
MONTH	<u>April</u>	<u>2007</u>



SIGNATURE OF NOTARY PUBLIC

**VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only**

VERIFICATION

STATE OF Arizona

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)
Maricopa
NAME (OWNER OR OFFICIAL) TITLE
Bob Dodds, President
COMPANY NAME
Black Mountain Sewer Corporation

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2006

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2006 WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)

\$ 1,306,876

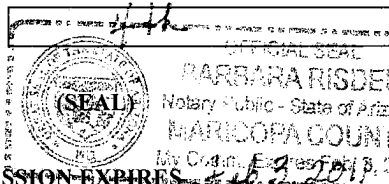
**(THE AMOUNT IN BOX ABOVE
INCLUDES \$ 0
IN SALES TAXES BILLED, OR COLLECTED)**

****REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)**

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS



DAY OF

COUNTY NAME	Maricopa	
MONTH	April	20 07

Barbara Rissen
SIGNATURE OF NOTARY PUBLIC

MY COMMISSION EXPIRES

**VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE**
Intrastate Revenues Only

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)	Maricopa		
NAME (OWNER OR OFFICIAL)	Bob Dodds	TITLE	President
COMPANY NAME	Black Mountain Sewer Corporation		

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2006

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2006 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES
\$ <u>893,390</u>

THE AMOUNT IN BOX AT LEFT
INCLUDES \$ 0
IN SALES TAXES BILLED, OR COLLECTED)

***RESIDENTIAL REVENUE REPORTED ON THIS PAGE
MUST INCLUDE SALES TAXES BILLED.**

Robert Dodds
SIGNATURE OF OWNER OR OFFICIAL
(602) 335-3429
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME
A NOTARY PUBLIC IN AND FOR THE COUNTY OF
THIS 4th DAY OF

NOTARY PUBLIC NAME	Barbara Riden	
COUNTY NAME	Maricopa	
MONTH	April	20 <u>07</u>

(SEAL)  OFFICIAL SEAL
BARBARA RIDEN
Notary Public - State of Arizona
MARICOPA COUNTY
MY COMMISSION EXPIRES Feb 3, 2008

X Barbara Riden
SIGNATURE OF NOTARY PUBLIC